

Item: _____ RDA RESO 08-07
Fiscal Impact: _____ N/A
Funding Source: _____ N/A
Account #: _____ N/A
Budget Opening Required: ☐

ISSUE:

Approval of a Consent to Assignment and Estoppel Agreement with Argent 201. LLC, and US Bank National Association to facilitate development within the North Central Economic Development Project Area.

SYNOPSIS:

As part of its financing arrangement with US Bank, Argent, LLC has requested that both the Agency and the City consent to the assignment of certain rights and duties that are set forth in Agreement for the Disposition of Land for Private Development (the “ADL”) between the City, the Agency, and Argent 201. By approving the Consent and Estoppel Agreement, the Agency agrees that if Argent 201 should default on its financing agreements with US Bank, then US Bank can take over Argent 201’s obligations under the terms of the ADL and shall have the right to receive payments that otherwise would have been paid to Argent 201 by the Agency. This is part of the security for the financing and will help facilitate the development of the property.

BACKGROUND:

The North Central Economic Development Project Area was adopted by the Agency and through West Valley City Ordinance No. 08-06, dated January 22, 2008. It encompasses several large properties located north of Stonebridge Golf Course.

RECOMMENDATION:

The City Staff recommends approval.